



# CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 7, 2003

## **H.R. 2898** **E-911 Implementation Act of 2003**

*As ordered reported by the House Committee on Energy and Commerce  
on October 1, 2003*

### **SUMMARY**

H.R. 2898 would authorize the appropriation of \$100 million a year to the National Telecommunications and Information Agency (NTIA) for grants to state and local governments and tribal organizations for improving emergency communications services. It also would establish the E-911 Implementation Coordination Office within the NTIA to administer these grants and to improve coordination of emergency communications services.

H.R. 2898 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit state, local, and tribal governments by authorizing grants to enhance services for emergency communication.

### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 2898 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2004	2005	2006	2007	2008
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	107	107	107	107	107
Estimated Outlays	45	87	107	107	107

## **BASIS OF ESTIMATE**

H.R. 2898 would authorize the appropriation of \$100 million a year to NTIA for grants to state and local governments and tribal organizations for improving emergency communications systems. The bill also would establish the E-911 Coordination Office within the NTIA to administer these grants and to improve coordination between Federal, state, and local emergency communications services, emergency personnel, public safety organizations, telecommunications carriers, and telecommunications equipment manufacturers and vendors involved with emergency services. Based on information provided by NTIA, CBO estimates that administering these grants and performing other responsibilities under the bill would cost NTIA about \$7 million a year. Assuming appropriation of the authorized amounts for the grants and the estimated administration needs of the new E-911 Coordination Office, CBO estimates that implementing the grant program through this new office would cost \$45 million in 2004 and \$453 million over the 2004-2008 period.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

This bill contains no intergovernmental or private-sector mandates as defined in UMRA. It would benefit state, local, and tribal governments by authorizing matching grants to enhance services for emergency communication. Any costs to those governments would be incurred voluntarily as conditions of receiving federal aid.

## **PREVIOUS CBO ESTIMATES**

On August 26, 2003, CBO transmitted a cost estimate for S. 1250, the Enhanced 911 Emergency Communications Act of 2003, as ordered reported by the Senate Committee on Science, Commerce, and Transportation on July 17, 2003. S. 1250 would authorize the appropriation of \$500 million a year to the NTIA for grants for improving emergency communications services, while H.R. 2898 would authorize \$100 million a year for the grants. S. 1250 also would direct the Federal Communications Commission to monitor the collection and spending of fees levied by states for the purposes of supporting emergency communications systems, while H.R. 2898 does not. Finally, S. 1250 would establish a multi-agency taskforce for improving coordination of emergency communications systems while H.R. 2898 would charge the NTIA with that responsibility. Our cost estimates reflect those differences.

**ESTIMATE PREPARED BY:**

Federal Costs: Melissa E. Zimmerman

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Jean Talarico

**ESTIMATE APPROVED BY:**

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis